



# County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA  
Chief Executive Officer

July 7, 2014

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To: Supervisor Don Knabe, Chairman  
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From: William T Fujioka  
Chief Executive Officer

## WASHINGTON, D.C. UPDATE - FEDERAL FISCAL YEAR 2015 APPROPRIATIONS

### Executive Summary

This memorandum is to provide the Board with an update on appropriations legislation for Federal Fiscal Year (FFY) 2015, which will begin on October 1, 2014.

It is all but certain that Congress will enact a Continuing Resolution (CR) to temporarily fund Federal operations and programs from October 1, 2014 until Congress returns after the November elections. Congressional appropriators had hoped to move the 12 individual FFY 2015 appropriations bills instead of appropriating funds through a CR or an omnibus appropriations bill as in recent years. However, to date, the House has passed only five FFY 2015 appropriations bills while the Senate has not passed any appropriations bill. Congress will be in session for a relatively few days between now and November -- the House will be in session for only 28 days.

Based on Congressional action on FFY 2015 appropriations taken to date and recent years' appropriations, we expect that the vast majority of discretionary programs through which the County receives funding will be funded at or near their prior year levels in FFY 2015. Moreover, the County's total Federal revenue should increase in FFY 2015 due to the major expansion of Medicaid under the Affordable Care Act (ACA). Medicaid is the largest source of Federal revenue, by far, to the County, and most of the County's remaining Federal revenue is received through mandatory programs, such as

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Temporary Assistance for Needy Families and Title IV-E Foster Care and Adoption Assistance, which are not funded through annual appropriations bills.

Below is a summary of Congressional action on FFY 2015 appropriations bills which fund programs of County interest:

### **Commerce-Justice-Science (CJS) Appropriations**

The House passed its FFY 2015 CJS appropriations bill (H.R. 4660) on May 30, 2014, and the Senate Appropriations Committee approved its bill (S. 2437) on June 5, 2014. The Senate Democratic leadership amended language from the FFY 2015 CJS, Transportation-Housing and Urban Development (T-HUD), and Agriculture appropriations bills into H.R. 4660 for Senate floor action on the week of June 16th. The consolidation of these three appropriations bill into a single "minibus" appropriations bill was intended to expedite the passage of FFY 2015 appropriations legislation, but this minibus bill was pulled from the Senate floor on June 19, 2014 after bipartisan agreement could not be reached to limit floor amendments and debate on the bill. This is indicative of how hard it is for the Senate to pass its version of appropriations bills, let alone agree on final versions of bills with the Republican-controlled House.

The House and Senate versions both decrease overall discretionary CJS funding by \$398 million to \$51.2 billion, but differ in how funds are distributed among individual programs and activities, including for the following programs of County interest:

**State Criminal Alien Assistance Program (SCAAP)** funding would increase from \$180 million in FFY 2014 to \$210 million in FFY 2015 in the House bill, but decreases to \$150 million in the Senate bill.

**Byrne Justice Assistance Grant** funding for JAG formula grants increases from \$345.00 million to \$352.75 million in FFY 2015 in the House bill, but decrease to \$340.00 million in the Senate bill.

**Trafficking Victim Services** funding for trafficking victim services and activities increases from \$14.275 million in FFY 2014 to \$15.000 million in FFY 2015 in the Senate bill and \$45.365 million in the House bill. The Senate, but not House, version includes language that explicitly allows this appropriation to be used to assist child sex trafficking victims through programs authorized under the Violence Against Women Act of 2013 (Public Law 113-4), including one which funds grants to state and local governments to provide services and specialized training.

**Juvenile Justice** funding increases from \$254.5 million in FFY 2014 to \$257.5 million in FFY 2015 in the Senate bill, but drops to \$223.5 million in the House bill.

### **Transportation-Housing and Urban Development (T-HUD) Appropriations**

The House passed its T-HUD appropriations bill (H.R. 4745) on June 10, 2014, and the Senate Appropriations Committee approved its version (S. 2438) on June 5, 2014. As indicated earlier, language from S. 2438 was amended into a “minibus” appropriations bill (H.R. 4660), which was pulled from the Senate floor after agreement could not be reached on how to limit floor amendments and debate on the bill.

Overall discretionary T-HUD spending increases from \$50.86 billion to \$52.03 billion in FFY 2015 in the House bill and \$54.44 billion in the Senate bill, which reflects a difference in how each house is allocating the \$1.014 trillion overall discretionary spending cap for FFY 2015 among the 12 individual appropriations bills. The Senate bill also provides more FFY 2015 funding than the House bill for most HUD programs of County interest including the following:

**Community Development Block Grant** is funded at \$3.02 billion in the Senate bill and \$3.00 billion in the House bill, compared to \$3.03 billion in FFY 2014.

**Section 8 Tenant-Based Rental Assistance** is funded at \$17.719 billion in the Senate bill and \$17.693 billion in the House bill, compared to \$17.365 billion in FFY 2014.

**Section 8 Administrative Fees**, which fund Section 8 program administrative costs, are funded at \$1.555 billion in the Senate bill and \$1.350 billion in the House bill, compared to \$1.500 billion in FFY 2014.

**Public Housing Capital Fund** is funded at \$1.900 billion in the Senate bill and \$1.775 billion in the House bill, compared to \$1.875 billion in FFY 2014.

**Public Housing Operating Fund** is funded at \$4.475 billion in the Senate bill, compared to \$4.400 billion in the House bill and in FFY 2014.

**HOME Investment Partnerships Program** is funded at \$950 million in the Senate bill and \$700 million in the House bill, compared to \$1 billion in FFY 2014.

**Homeless Assistance Grants** are funded at \$2.145 billion in the Senate bill, compared to \$2.105 billion in the House bill and in FFY 2014.

Both bills also include County-supported language exempting the County from the requirement that public housing or Section 8 tenants be represented on the governing board of the County's Housing Authority, similar to language included in prior years' appropriations bills.

### **Homeland Security Appropriations**

The House Appropriations Committee approved its Homeland Security appropriations bill (H.R. 4903) on June 11, 2014, and the Senate Appropriations Committee approved its version (S. 2534) on June 26, 2014. Overall discretionary Homeland Security spending decreases slightly from \$39.27 billion to \$39.22 billion in FFY 2015 in the House bill and \$39.00 billion in the Senate bill. Both bills fund state and local grant programs, including the Urban Area Security Initiative, State Homeland Security Grants, Emergency Management Performance Grants, and Firefighting Assistance Grants at the same level as in FFY 2014.

### **Labor-Health and Human Services (HHS)-Education Appropriations**

The Senate Labor-HHS-Education Appropriations Subcommittee approved its FFY 2015 appropriations bill on June 10, 2014. However, the full committee did not mark up the bill on June 12, 2014, as expected, which protected Senators Begich (D-AK), Landrieu (D-LA), and Pryor (D-AR), who face tough re-election races, from having to vote on controversial amendments relating to the Affordable Care Act (ACA). The House Appropriations Committee has not yet scheduled a mark-up of its FFY 2015 Labor/HHS/Education appropriations bill. A Labor/HHS/Education appropriations bill has not been enacted since 2005. In all likelihood, Labor/HHS/Education programs will be funded in FFY 2015 through a CR or omnibus appropriations bill.

The Senate Appropriations Committee neither has released the text nor a detailed summary of its FFY 2015 Labor/HHS/Education appropriations bill, which was approved by its subcommittee. Instead, the Committee only has released a brief summary, which cites a few programs of County interest that are receiving funding increases, including a \$145 million increase for Head Start to \$8.743 billion in FFY 2015, \$100 million increase for the Child Care and Development Block Grant to \$2.458 billion, and \$100 million increase for the Preschool Development Grant to \$350 million. The bill also includes \$10 million for Elder Justice Act adult protective services, which was authorized under the ACA, but never before funded.

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### **Energy and Water Development Appropriations**

The House Appropriations Committee approved its FFY 2015 Energy and Water Development appropriations bill (H.R. 4923) on June 18, 2014. The Senate Energy and Water Development Appropriations Subcommittee approved its version a day earlier. However, the full committee did not mark up the bill on June 19, 2014, as scheduled, to avoid having to vote on an amendment by Senator McConnell (R-KY), which would block the promulgation of the Environmental Protection Agency's proposed regulations to limit carbon emissions from power plants. The Senate is unlikely to move the bill before the November elections to avoid having to take a recorded vote on this amendment. The House is scheduled to begin floor action on its version (H.R. 4923) on July 9, 2014.

The Senate Appropriations Committee neither has released the text nor a detailed summary of its FFY 2015 Energy and Water Development appropriations bill. Its brief summary, however, indicates that the Senate bill increases overall discretionary funding from \$34.060 billion in FFY 2014 to \$34.208 billion in FFY 2015, compared to a small decrease to \$34.010 billion in the House bill. The Senate bill reduces Army Corps of Engineers funding from \$5.467 billion in FFY 2014 to \$5.134 billion in FFY 2015 while the House bill increases its funding to \$5.492 billion.

We will continue to keep you advised.

WTF:RA  
MR:MT:lm

c: All Department Heads  
Legislative Strategist